



Washington State Department of Agriculture  
Commission Merchants Program  
PO Box 42560  
Olympia WA 98504-2560  
(360) 902-1854

## DEALER BOND

Bond No. \_\_\_\_\_

### Chapter 20.01 RCW

(NOTE: See instructions on back **before** completing this form)

KNOW ALL BY THESE PRESENT: That we (Principal) .....

..... of (Address) .....

as principal, and (Surety) .....

a corporation organized and existing under the laws of the State of: .....

and authorized to transact surety business in the State of Washington, as surety, are held and firmly bound unto the State of Washington in the penal sum of:

..... ( \$ ..... )

lawful money in the United States of America, to be paid to the State of Washington for the purpose and in the manner provided in Chapter 20.01 RCW, as now or hereafter amended, for the payment of which sum, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THIS BOND EFFECTIVE THIS ..... day of ....., 20.....

#### THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT

WHEREAS, The above bounden principal wishes to make, or has made, application to the Washington State Department of Agriculture for a license to operate as a dealer in the state of Washington in accordance with the provisions of Chapter 20.01 RCW, as now or hereafter amended, and rules and regulations adopted thereunder and is required, pursuant to the provisions of said law, to furnish a bond in the penal sum listed above as provided for in said law and conditions as required by said law.

Now, therefore, if the above bounden principal shall faithfully comply with all the provisions of Chapter 20.01 RCW, as now or hereafter amended, pertaining to dealers and all obligations enjoined upon him by said law and rules and regulations adopted thereunder, then the above obligation shall be null and void; otherwise to remain in full force and effect.

This obligation is applicable from the date above and shall continue in full force and effect until written notice of termination has been furnished by the surety to the principal and the Washington State Department of Agriculture by certified mail. Cancellation to be effective 30 days from the day it is received by the Department of Agriculture. The total and aggregate liability of the surety for all claims which may arise shall be limited to the face value of the bond.

Signed this..... day of ....., 20.....

\_\_\_\_\_  
PRINCIPAL

\_\_\_\_\_  
DOING BUSINESS AS (IF APPLICABLE)

\_\_\_\_\_  
BY: (SIGNATURE OF OWNER, PARTNER OR CORPORATE OFFICER)

\_\_\_\_\_  
SURETY

\_\_\_\_\_  
(SEAL)

\_\_\_\_\_  
ATTORNEY-IN-FACT

## BOND REQUIREMENTS

The actual bond requirement for any dealer is based on purchase volume, but minimum amounts are established based on the agricultural products being handled.

### MINIMUM BOND AMOUNT

|                              |                                |
|------------------------------|--------------------------------|
| \$ 15,000 Bond Minimum ..... | Dealers in hay, straw, or seed |
| \$ 10,000 Bond Minimum ..... | Dealers in produce only        |
| \$ 10,000 Bond Minimum ..... | Limited Dealers                |

**NOTE:** The formula for **Limited Dealers** is based on the licensee's maximum monthly purchases divided by twelve.

**INSTRUCTIONS FOR SURETY:** Insurance company seal must be on the bond and must be legible. Power of Attorney must be attached and dated the same date as the signature on the bond. Executed bond should be forwarded to the principal for signature with instructions to forward it to the Washington State Department of Agriculture.

## BOND SCHEDULES

| SCHEDULE FOR DEALERS IN<br>HAY, STRAW, OR SEED |  |
|--|--|
| ANNUAL DOLLAR VOLUME                           | BOND AMOUNT  |
| Up to:   |  |
| \$ 180,000 .....                               | \$ 15,000  |
| 240,000 .....                                  | 20,000   |
| 300,000 .....                                  | 25,000   |
| 360,000 .....                                  | 30,000   |
| 420,000 .....                                  | 35,000   |
| 480,000 .....                                  | 40,000   |
| 540,000 .....                                  | 45,000   |
| 600,000 .....                                  | 50,000   |
| 660,000 .....                                  | 55,000   |
| 720,000 .....                                  | 60,000   |
| 780,000 .....                                  | 65,000   |
| 840,000 .....                                  | 70,000   |
| 900,000 .....                                  | 75,000   |
| 960,000 .....                                  | 80,000   |
| 1,020,000 .....                                | 85,000   |
| 1,080,000 .....                                | 90,000   |
| 1,140,000 .....                                | 95,000   |
| 1,200,000 .....                                | 100,000  |
| 1,260,000 .....                                | 105,000  |
| 1,320,000 .....                                | 110,000  |
| 1,380,000 .....                                | 115,000  |
| 1,440,000 .....                                | 120,000  |
| 1,500,000 .....                                | 125,000  |
| 1,560,000 .....                                | 130,000  |
| 1,620,000 .....                                | 135,000  |
| 1,680,000 .....                                | 140,000  |
| 1,740,000 .....                                | 145,000  |
| 1,800,000 .....                                | 150,000  |
| 1,860,000 .....                                | 155,000  |
| 1,920,000 .....                                | 160,000  |
| 1,980,000 .....                                | 165,000  |
| 2,040,000 .....                                | 170,000  |
| 2,100,000 .....                                | 175,000  |
| 2,160,000 .....                                | 180,000  |
| 2,220,000 .....                                | 185,000  |
| 2,280,000 .....                                | 190,000  |
| 2,340,000 .....                                | 195,000  |
| 2,400,000 .....                                | 200,000  |
| 2,460,000 .....                                | 205,000  |
| 2,520,000 .....                                | 210,000  |
| 2,580,000 .....                                | 215,000  |
| 2,600,000 .....                                | 220,000  |
| Over 2,600,000 .....                           | Ten percent (10%)<br>of all excess divided by 12 at \$5,000 intervals. |

| SCHEDULE FOR DEALERS IN PRODUCE ONLY |   |
|--------------------------------------|---|
| ANNUAL DOLLAR VOLUME                 | BOND AMOUNT   |
| Up to:                               |   |
| \$ 520,000 .....                     | \$ 10,000   |
| 624,000 .....                        | 12,000  |
| 728,000 .....                        | 14,000  |
| 832,000 .....                        | 16,000  |
| 936,000 .....                        | 18,000  |
| 1,040,000 .....                      | 20,000  |
| 1,144,000 .....                      | 22,000  |
| 1,248,000 .....                      | 24,000  |
| 1,352,000 .....                      | 26,000  |
| 1,560,000 .....                      | 30,000  |
| 1,820,000 .....                      | 35,000  |
| 2,080,000 .....                      | 40,000  |
| 2,340,000 .....                      | 45,000  |
| 2,600,000 .....                      | 50,000  |
| 5,200,000 .....                      | 55,000  |
| 7,800,000 .....                      | 60,000  |
| 10,400,000 .....                     | 65,000  |
| 13,000,000 .....                     | 70,000  |
| 15,600,000 .....                     | 75,000  |
| 18,200,000 .....                     | 80,000  |
| 20,800,000 .....                     | 85,000  |
| 23,400,000 .....                     | 90,000  |
| 26,000,000 .....                     | 95,000  |
| 28,600,000 .....                     | 100,000   |
| 31,200,000 .....                     | 105,000   |
| 33,800,000 .....                     | 110,000   |
| 36,400,000 .....                     | 115,000   |
| 39,000,000 .....                     | 120,000   |
| 41,600,000 .....                     | 125,000   |
| 44,200,000 .....                     | 130,000   |
| 46,800,000 .....                     | 135,000   |
| 49,400,000 .....                     | 140,000   |
| 52,000,000 .....                     | 145,000   |
| Over 52,000,000 .....                | 50,000 plus<br>ten percent (10%) of all volume over \$2,600,000 divided<br>by 52 at \$5,000 intervals. (i.e., \$67,000,000 – \$2,600,000<br>= \$64,400,000 : 52 = \$1,238,461.50 x 0.10 = \$123,846.15<br>round up to \$125,000 + \$50,000 = \$175,000 bond amount) |